

Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 AID-05 H-01 IGA-01 DEAE-00 CIAE-00

INR-07 IO-10 JUSE-00 NSAE-00 RSC-01 SNM-02 SY-04

TRSE-00 USIA-06 NSC-05 OES-03 OMB-01 ARAE-00 /057 W

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P 301508Z JAN 75

FM AMEMBASSY LIMA

TO SECSTATE WASHDC PRIORITY 3690

C O N F I D E N T I A L SECTION 1 OF 2 LIMA 0802

E.O. 11652: GDS

TAGS: SNAR, PE

SUBJ: SEMI-ANNUAL NARCOTICS CONTROL REPORT FOR PERIOD ENDING
DECEMBER 31, 1974

REF: A) STATE 012151; B) LIMA 5825

1. SECTION I - INFORMATION FOR CONGRESSIONAL REPORTING REQUIRE- MENTS

A. NEW AGREEMENTS ENTERED INTO DURING REPORTING PERIOD - NONE.
PROAG NUMBER 2 (IN PROCESS) DEALS WITH ENFORCEMENT AND INVOLVES
A \$37,000 INCREASE IN FUNDING FOR COMMUNICATIONS EQUIPMENT
AUTHORIZED FOR PROCUREMENT UNDER THE FY 74 ACTION PLAN.

B. TOTAL OBLIGATIONS EXPENDITURES (FY 75 FUNDS) (ALL YEAR FUNDS)

(1) PERSONNEL	0	0
(2) EQUIPMENT	0	\$7,000
(3) CONTRACT SERVICES	0	0
(4) OTHER	\$1,000	\$4,000

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(5) TRAINING	0	0
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NOTE: THREE AID/WASHINGTON OFFICERS, TWO IN FIELD OF COMMUNICATIONS AND ONE LABORATORY TECHNICIAN, WERE IN LIMA ON TDY DURING THE REPORTING PERIOD.

C. EQUIPMENT

DELIVERED - NONE

STILL IN PIPELINE (UNDELIVERED)

TYPE	COST
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AUDIO-VISUAL EQUIPMENT (FOR GUARDIA CIVIL)	\$8,824.31
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PHOTOGRAPHIC EQUIPMENT (FOR GUARDIA CIVIL)	1,416.00
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COMMUNICATIONS EQUIPMENT, ACCESSORIES AND

SPARE PARTS FOR PIP (SEE PIO/CS 40042 AND

40043 FOR DETAILS) 222,000.00 (WHICH

INCLUDES \$37,000

INCREASE IN PROCESS)

D. SUPPORT COSTS - NONE

E. TRAINING UNDER SECTION 482 - DEA CONTINUES TO MAINTAIN VARIOUS TRAINING PROGRAMS (LIMA 5825) BOTH IN THE U.S. AND PERU; HOWEVER, NO SECTION 482 MONIES WERE INVOLVED IN THE FINANCING OF THESE PROGRAMS DURING THE REPORTING PERIOD.

F. PERSONNEL - AS OF DECEMBER 31, THERE WERE IN THE EMBASSY TWO DEA AGENTS AND TWO DEA SECRETARIES DEVOTING MORE THAN 50 PERCENT OF THEIR TIME TO NARCOTICS CONTROL ACTIVITIES.

2. SECTION II - BACKGROUND FOR CONGRESSIONAL HEARINGS

A. SUMMARY OF SIGNIFICANT DEVELOPMENTS - PERU REMAINS A MAJOR SOURCE OF COCAINE. DURING THE REPORTING PERIOD JULY 1 - DECEMBER 31, 1974, THERE WAS LITTLE CHANGE IN THE AMOUNT OF COCAINE PRODUCED AND PROCESSED. THE EMBASSY HAS DISCOVERED, HOWEVER, THAT THE AMOUNT OF COCAINE AVAILABLE FOR TRAFFICKING

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MAY BE SIGNIFICANTLY MORE THAN OUR PREVIOUS ESTIMATES. (SEE BELOW.) DURING THE REPORTING PERIOD AT LEAST ONE U.S. CITIZEN SUSPECTED OF BEING A MAJOR TRAFFICKER WAS ARRESTED IN PERU AND LATER RETURNED TO THE UNITED STATES FOR PROSECUTION. ANOTHER U.S. CITIZEN ARRESTED BY THE PIP IS PRESENTLY BEING PROCESSED BY LOCAL LAW AUTHORITIES FOR RETURN TO THE U.S. THE CASES INDICATE A CONTINUED COOPERATIVE ATTITUDE ON THE PART OF THE PERUVIAN INVESTIGATIONS POLICE (PIP) AND CONTINUED

GOOD WORKING RELATIONS WITH DEA.

B. ABUSE - THERE WERE NO NOTICEABLE CHANGES IN THE NARCOTICS ABUSE PATTERN FOR THE PERIOD ENDING DECEMBER 1974. THE MAJOR NARCOTICS PROBLEM IN PERU CONTINUES TO BE THAT PERU SUPPLIES 70 PER CENT OR MORE OF THE WORLD'S BASIC RAW MATERIAL COCA LEAF WHICH IN TURN IS CONVERTED INTO COCAINE PASTE AND SUBSEQUENTLY TO COCAINE HYDROCHLORIDE. WHILE SMALL AMOUNTS OF IPIUM POPPY ARE GROWN IN PERUVIAN JUNGLE AREAS NEAR THE HEADWATERS OF THE AMAZON RIVER, THE NATIVE LIQUID BREW FROM THE POPPY IS PRIMARILY USED IN LOCAL MEDICINAL CURES. THE SMALL PERUVIAN POPPY CROP DOES NOT FIND ITS WAY INTO TRAFFICKING BECAUSE OF ITS LOW TOTAL PRODUCTION AND UNEVEN QUALITY.

C. PRODUCTION AND PROCESSING - FIGURES RELATING TO PRODUCTION AND PROCESSING ARE SUBJECT TO SOME RE-INTERPRETATION. IN THE EMBASSY'S PREVIOUS SUBMISSION IN JULY 1974 (LIMA 5825), WE ESTIMATED THE PRODUCTION OF COCA LEAVES TO BE APPROXIMATELY 20,000,000 KILOGRAMS ANNUALLY. WE ESTIMATED THE AMOUNT OF COCA LEAVES AVAILABLE FOR ILLICIT PURPOSES TO BE 7 TO 8,000,000 KILOGRAMS OF LEAVES ANNUALLY. THERE ARE NEW FIGURES AVAILABLE FROM A BIOLOGICAL RESEARCHER AT A LOCAL UNIVERSITY WHO RECENTLY CONDUCTED A PRESS CONFERENCE TO PUBLICIZE HIS THESIS THAT OF SOME 20,000,000 KILOGRAMS OF LEAVES PRODUCED ANNUALLY, ONLY 4,000,000 COULD BE COUNTED ON TO BE CONSUMED IN LICIT PRODUCTION OR MASTICATION BY THE CAMPESINOS. IF THIS ESTIMATE IS CORRECT, THERE WOULD BE SOME 16,000,000 KILOGRAMS OF LEAVES AVAILABLE FOR ILLICIT PURPOSES. (ONE THOUSAND KILOS OF LEAVES OF AVERAGE STRENGTH WILL REDUCE TO APPROXIMATELY 10 KILOS OF COCA PASTE, WHICH IS IN TURN REDUCIBLE TO 4 KILOS OF COCAINE HYDROCHLORIDE.) FINALLY AS TO PRODUCTION AND PROCESSING, WHILE BASIC COCAINE PASTE ELABORATION MAY PRINCIPALLY INVOLVE SMALL "MOM AND POP" BACKYARD OPERATIONS IN THE SIERRA, CONFIDENTIAL

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THERE IS SUFFICIENT SUSPICION OF LARGE-SCALE RINGS INVOLVED IN THE SUBSEQUENT COCAINE HYDROCHLORIDE ELABORATION AS TO MAKE THE INVOLVEMENT OF INTERNATIONAL INTERESTS A PROBABILITY.

D. TRAFFICKING TRENDS - PERU IS A BASIC SOURCE COUNTRY FOR COCAINE. FROM THE SIERRA REGION THE COCAINE PASTE GOES TO LA PAZ, SANTIAGO, GUAYAQUIL, LIMA, BOGOTA AND OTHER CITIES FOR THE FINAL PROCESSING INTO COCAINE HYDROCHLORIDE. WHILE THERE HAS NOT BEEN ANY EVIDENCE TO DATE OF THE EXISTENCE OF A MAJIA-TYPE ORGANIZATION CONTROLLING THE ELABORATION OF COCAINE HYDROCHLORIDE, IT IS ONLY LOGICAL THAT THE MOVEMENT OF SUCH A SUBSTANTIAL AMOUNT OF COCAINE WOULD REQUIRE INTERNATIONAL CONNECTIONS AND WOULD INVOLVE NON-PERUVIANS IN THE TRAFFICKING PATTERNS. IT APPEARS THAT IN THE AREA OF TRAFFICKING, SOME OF THE MAJOR VIOLATORS ARE LOOKING FOR ALTERNATIVE ROUTES

TO GET THEIR NARCOTICS FROM LIMA TO THE UNITED STATES. TRADITIONALLY THEY HAVE SHIPPED TO MEXICO AND FROM THERE OVERLAND INTO THE UNITED STATES. DURING THIS REPORTING PERIOD WE HAVE NOTICED SEVERAL INCIDENTS WHERE VIOLATORS WERE ATTEMPTING TO RE-ROUTE NARCOTICS THROUGH EUROPE TO THE UNITED STATES AND THROUGH EUROPE TO CANADA TO THE UNITED STATES. HOWEVER, METHODS OF TRANSPORTING COCAINE ARE ONLY LIMITED BY ONE'S IMAGINATION. COCAINE HAS BEEN PLACED IN HOLLOWED OUT ART OBJECTS, PLASTIC BAGS ATTACHED TO THE BODY, INGESTED IN RUBBER CONTAINERS AND CARRIED IN FALSE BOTTOM SUITCASES. TRAFFICKERS HAVE USED HORSES, PEOPLE, CARS, SHIPS AND AIRPLANES TO TRANSPORT COCAINE TO THE U.S. ONE CAN HARDLY CONVEIVE OF A METHOD OF TRANSPORT THAT HAS NOT BEEN THOUGHT OF AND USED.
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ACTION ARA-10

INFO OCT-01 ISO-00 AID-05 IGA-01 ARAE-00 DEAE-00 CIAE-00

INR-07 IO-10 JUSE-00 NSAE-00 RSC-01 SNM-02 SY-04

TRSE-00 USIA-06 NSC-05 OES-03 OMB-01 H-01 /057 W

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P 301508Z JAN 75

FM AMEMBASSY LIMA

TO SECSTATE WASHDC PRIORITY 3691

C O N F I D E N T I A L SECTION 2 OF 2 LIMA 0802

EO 11652: GDS

TAGS: SNAR, PE

SUBJECT: SEMI-ANNUAL NARCOTICS CONTROL REPORT FOR PERIOD ENDING
DECEMBER 31, 1974

E. REGIONAL AND MULTILATERAL COOPERATION - DURING THE REPORTING PERIOD, PERU SIGNED A COMMERCIAL/ECONOMIC AGREEMENT WITH BOLIVIA THAT ALSO INCLUDED A CLARUSE TO WORK BILATERALLY ON NARCOTICS PROBLEMS OF MUTUAL CONCERN TO BOTH COUNTRIES. THE DEA LIMA SAIC HAS ATTENDED A NARCOTIC MEETING IN CARACAS TO DISCUSS POSSIBILITIES FOR INTERNATION COOPERATION.

F. EMBASSY AND HOST GOVERNMENT ACTIVITIES- DURING THE REPORTING PERIOD, AMBASSADOR VANCE VISITED LIMA TO DISCUSS THE DRUG TRAFFICKING PROBLEMS WITH LOCAL AUTHORITIES, INCLUDING THE MINISTER OF THE INTERIOR, AND EMBASSY PERSONNEL (LIMA 8936 AND 9039). ALSO DURING THE REPORTING PERIOD, AMBASSADOR DEAN OBTAINED GOP SANCTION FOR THE ASSIGNMENT OF A THIRD AGENT HERE. THE MINISTRY OF INTERIOR HAS EXPRESSED ITS DESIRE TO STRENGTHEN INTERNATIONAL COOPERATION WITH DEA'S ASSISTANCE.

G. ENFORCEMENT- COOPERATION BETWEEN DEA AND THE PERUVIAN NARCOTICS POLICE CONTINUED DURING THE REPORTING PERIOD. IN ADDITION TO THE CASES MENTIONED UNDER (A), TWO COCAINE HYDROCHLORIDE LABORATORIES HAVE BEEN SEIZED. ONE OF THESE LABORATORIES WAS OPER-
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ATED AND FINANCED BY A MULTI-NATIONAL GROUP WHO WERE ARRESTED IN POSSESSION OF SEVEN KILOGRAMS OF COCAINE. SEVERAL PASTE LABORATORIES ALSO HAVE BEEN DESTROYED AND OVER 114 KILOS OF PASTE HAVE BEEN SEIZED SINCE THE LAST REPORTING PERIOD. TOTAL SEIZURES OVER THE LAST SIX MONTHS WERE:

	GRAMS
MARIJUANA	294,955
COCA PASTE	114,586
COCAINE HYDROCHLORIDE	14,471
OPIUM	1,173
MANDREX	7,632
AMPHET.	6 CAPSULES

THE ATTITUDE OF THE PERUVIAN GOVERNMENT AS A WHOLE DESERVES SOME COMMENTARY WHEN DISCUSSING THE EXTENT AND EFFECTIVENESS OF ANY U.S. COMMITMENT TO ERADICATE THE HEAVY COCAINE TRAFFIC EMANATING FROM PERU. THE GOP DOES NOT VIEW COCA GROWING AS A PROBLEM AFFECTING THE PERUVIAN PEOPLE. PERUVIAN YOUTH DO NOT SNIFF COCAINE IN ANY SUBSTANTIAL QUANTITY. THE LOCAL CAMPESINO CUSTOM OF CHEWING COCA LEAVES EXTENDS BACK TO AN EPOCH BEFORE RECORDED PERUVIAN HISTORY. WHILE A GOP SPONSORED AGRICULTURAL CONFERENCE HAS RECENTLY ISSUED A VAGUE CALL FOR THE ERADICATION OF THIS AGE-OLD CUSTOM AS BEING "ANTI-REVOLUTIONARY", THERE HAS BEEN LITTLE EVIDENCE OF A COMMITMENT ON PART OF GOP TO ACTIVELY SEEK A REDUCTION IN COCA CULTIVATION. MOREOVER, COCAINE TRAFFICKERS HAVE TRADITIONALLY GOTTEN OFF WITH ONLY LIMITED FINES AND JAIL TERMS IN PERUVIAN COURTS, AND A FEW POLICE OFFICERS AND OTHER GOP PERSONNEL HAVE BEEN CAUGHT IN PROTECTION OF OR OUTRIGHT INVOLVEMENT IN TRAFFICKING ACTIVITIES. WHILE THIS IS NOT TO SAY THAT THE GOP IN ANY WAY CONDONES THE TRAFFICKING OF ITS CITIZENS IN COCAINE, IT DOES MEAN THAT A SUBSTANTIAL PART OF THE PROBLEM HAS BEEN TO OVERCOME ALL OF THE PRIVATE AND PUBLIC VESTED INTERESTS THAT HAVE THE MOST TO GAIN IN THE PERPETUATION OF THE COCA GROWING

AND
COCAINE ELABORATION WITHIN PERU.

H. INCOME SUBSTITUTION - WHILE MININTERIOR RICHTER AND OTHERS
HAVE DISCUSSED CROP SUBSTITUTION ON OCCASION, GOP HAS NOT TO DATE
INITIATED ANY INCOME/CROP SUBSTITUTION PROGRAMS.

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I. TREATMENT/REHABILITATION/EDUCATION - SINCE THE EMBASSY'S LAST
REPORT, THERE HAS BEEN NO NOTICEABLE CHANGE IN THIS AREA. AS
PREVIOUSLY NOTED, NARCOTICS ADDICTION DOES NOT YET CONSTITUTE A
SERIOUS PROBLEM IN PERU.

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DRUG CONTROL, ANNUAL REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 30 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975LIMA00802
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750034-0804
From: LIMA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t1975017/aaaaafwu.tel
Line Count: 295
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 STATE 012151, 75 LIMA 5825
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 03 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 SEP 2003 by ShawDG>; APPROVED <17 DEC 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SEMI-ANNUAL NARCOTICS CONTROL REPORT FOR PERIOD ENDING DECEMBER 31, 1974
TAGS: SNAR, PE
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006